

**ACTION PLAN IMPLEMENTATION STATUS UPDATE
REPORT TO THE AUDIT COMMITTEE - AS OF MARCH 31, 2012**

RESOLUTION AND INDIVIDUAL AFFAIRS & CFO			
AUDIT OF TRUST ACCOUNTS APPROVAL DATE: 24/09/10			
PROJECT RECOMMENDATIONS	ACTION PLAN	EXPECTED COMPLETION DATE	PROGRAM RESPONSE
	and documentation.		<p>currently under review</p> <p>CFO Update: Status: Request to Close (Completed)</p> <p>Update/Rationale: As of 31/03/2012:</p> <p><i>CARD- The Account Certification Policy is finalized and is currently in the approval process. It will be effective April 1, 2012.</i></p> <p>LED Update: Update/Rationale: As of 31/03/2012: The NetLands Redesign Business Opportunity Plan is currently under review.</p> <p>AES: Substantially implemented. Recommendation is closed.</p>
2. The ADM, RIA, in collaboration with the Senior ADM, RO, should develop a policy, guidelines and associated processes to address long-term suspense accounts.	- IAB (RIA) in collaboration with Lands (LED) will develop a comprehensive strategy to address long-term lands related suspense accounts which will include the modernization of associated policies, guidelines, processes and procedures	March 2011	<p>Status: Request to close (completed)</p> <p>Update/Rationale: As of 31/03/2011:</p> <p>- suspense accounts have been categorized and release procedures for each categories have</p>

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	as well as to support a monitoring framework.		<p>been recommended and awaiting DG review. A number of categories (such as where lessee or band no longer exists and other historical categories) will require further analysis and review.</p> <ul style="list-style-type: none"> - a chapter in the lands management manual will be drafted to include payment management - collection policies and a strategy to address the arrears will be developed. <p>LED Update: Update/Rationale: As of 31/03/2012: Draft policies and revisions to Lands Management manual are to be developed and completed as part of the DRAP initiative.</p> <p>AES: Recommendation is closed.</p>
3. The CFO should formally communicate with all regional offices to highlight AANDC's cash deposit requirements as outlined in	- CAMM (CFO) in collaboration with Lands (LED) to integrate the Receipt and Deposit of Public Money Policy into the Indian Moneys	March 2011	<p>Status : Request to Close (Completed)</p> <p>Update/Rationale:</p>

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<p>the FMM. This requires that regional offices deposit all cash receipts totalling \$500 on a daily basis. There may be opportunities for Program Officers within the regional offices to educate remitters on the documentation requirements to support a cash receipt.</p>	<p>Manual and the Lands Management Manual. An appropriate procedure will be created to ensure the immediate clearing of suspense accounts which are created to accommodate the lag time between activation and registration of land instruments.</p>		<p>As of 31/03/2011:</p> <ul style="list-style-type: none"> -National NetLands Directive communicated out to regional partners. -RIA recommended language for updating the Indian Moneys Manual (IMM), Part 5 Suspense Accounts provided. -User Guide updated. <p>CFO Update: PROGRAM RESPONSE : Status : In progress Update/Rationale: As of 31/03/2012:</p> <p>CARD – The Policy on Receipt, Deposit and Recording of Moneys has been drafted and circulated to regions and key stakeholders for review. It is expected to be finalized by Q2 of 2012-2013. Once finalized, LED will ensure to integrate the requirements in the Indian Moneys Manual and Land Management Manual.</p> <p>LED Update: Update/Rationale: As of 31/03/2012: Draft policies and revisions to</p>

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			Lands Management manual are to be developed and completed as part of the DRAP initiative. AES: Recommendation is closed.
4. The ADM, RIA, in conjunction with the CFO, should strengthen due diligence to ensure Indian Moneys are approved in accordance with the relevant BCR and the <i>Indian Act</i> . If reliance is to be placed on the “Statement of Receipts and Disposal of Indian Moneys” submitted as part of the audited financial statements, they should be audited.	- Following consultations with DLSU regarding the reporting requirements for the expenditure of Indian moneys, the Indian Moneys, Estates and Treaty Annuities Directorate will oversee rigorous due diligence prior to the release of Indian Moneys. In addition, for future requests a First Nation will be required to provide assurance that any previously released amounts were properly expended according to the approved BCR.	September 2011	RIA Update Status: Request to close (completed) Update /Rationale: As of 31/03/2012: RIA - - Policy & process review & update completed: - Manual for the Administration of Band Moneys (MABM) updated (January 2012); - Trust Fund Management System (TFMS) new BCR Tracking and Analysis screen created and implemented for use nationally by Trust Officers (January 2012); - Expenditure Analysis Template has been updated with assurance ; - new Band Council Resolution (BCR) assurance statement finalized and ready for implementation July 2012. - IMETA policy compliance report developed & implemented: - Expenditure risk assessment tools developed as component of policy compliance report.

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			<ul style="list-style-type: none"> - Regional consultation on new requirements completed. - Follow-up conference call will be held in fall 2012 to provide updates on modernized program developments. - Moneys management modernization Implementation Framework developed and implemented May 2011. - Interim Directive developed and ready for release to regions July 2012. <p>CFO update: PROGRAM RESPONSE : Status : Request to Close (Completed) Update/Rationale: As of 31/03/2012:</p> <p>The electronic checklist has been completed in TFMS late January 2012.</p> <p>AES: Implementation complete. Recommendation is closed.</p>
5. The ADM, RIA should establish tools and communicate detailed guidance to regions on the level of support required to accompany requests for access to Indian Moneys (band and individual) and on the level of analysis required by the Program Officers prior to the	- In collaboration with the CFO the policies, procedures, manuals, training modules and quality assurance processes to ensure national consistency will be reviewed for adequacy.	September 2011	<p>RIA Update: Status: Request to close (completed)</p> <p>Update /Rationale: As of 31/03/2012:</p> <p>RIA - - Communications Branch concurrence received on internal communications approach for release of Interim Directive:</p>

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recommendation, approval and release of trust account moneys.			<ul style="list-style-type: none"> - RDGs to be briefed in late summer 2012 on RIAs' follow-up of the implementation of audit action items. - Audit of Trust Accounts posted and publically available on AANDC website. - Implementation Framework developed communicated to RDGs (March 2011). - Draft Monitoring and Compliance Review Directive has been developed and ready for implementation fall 2012. - Train the trainer tools developed on updated MABM and TFMS and ready for implementation July 2012. <p>CFO Update: PROGRAM RESPONSE : Status : No action Update/Rationale: As of 31/03/2012:</p> <p>CAMM –CARD, as a service provider, will provide assistance when required. Request to remove CARD to RIA.</p> <p>AES: Recommendation is closed.</p>
6. The ADM, RIA, in conjunction with the ADM, LED, should develop a mechanism within existing system capabilities that would allow Program Officers to set up expectations of future cash receipts once an instrument is executed. Once established, the mechanism could	- IAB (RIA) in collaboration with Lands (LED) to assess the current Netlands software and deploy patches improving the reporting functionality of the current system as well as the revenue tracking and notification functions. These fixes will be deployed in 2010 along with	March 2011	<p>Status: Request to Close (Completed)</p> <p>Update /Rationale As of 31/03/2011:</p> <ul style="list-style-type: none"> - Patches deployed improving the reporting functionality of the current system. - National NetLands Directive developed and

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notify Program Officers when the receipt of Indian Moneys is expected, which in turn, would trigger a follow-up action if the receipt does not arrive within an acceptable period of time. Depending on the nature of this tracking mechanism, resource requirements to support it should be evaluated.	a directive making the use of the system mandatory for all revenue generating instruments. A complete system rebuild will include full integration with the Lands Registry and Trust Fund Management system. This will be contingent on funding.		communicated out to regional partners. - System rebuild for integration with TFMS is pending available resources. AES: Based on rational provided, the recommendation has been closed.
7. The CFO should update the FMM to reflect the expectations of segregation of duties over cash receipts within Finance at the regional office. More specifically, in circumstances where resource limitations only allow for one Finance resource to handle cash receipts, the monthly cash reconciliation should be performed by a separate Finance representative and should be reconciled back to the cash blotter prepared by the mail room.	- CAMM (CFO) will update the Financial Management Manual (Policy on Receipt and Deposit of Public Money) to better reflect the expectations of segregation of duties over cash receipts within Finance at the regional offices.	March 2011	CFO Update PROGRAM RESPONSE : Status : Request to Close Update/Rationale: As of 31/03/2012: CAMM - A draft has been completed and will be circulated to the regions for comments in April. Target date of May 30 for CFO approval. AES: Recommendation is closed.